

## Request for City Council Committee Action From the Department of Human Resources

## **Background/Supporting Information -**

The VEBA, COBRA, and Miniflex Administration were part of the questionnaire section of the Healthcare Insurance RFP which was sent out June 11, 2003. As a result of the responses to the RFP the Healthcare Sub-Committee of the Citywide LMC proceeded with a redesign of the Healthcare Insurance plans for the City. Any material change to the employees' benefits requires the City to negotiate with the representative bargaining units. Negotiations with the representative bargaining units resulted in a determination that a Voluntary Employee Beneficiary Association ("VEBA") would be the best course of action.

The REBA Program VEBA Trust is a multiple public employer trust arrangement. This REBA Program VEBA Plan must be adopted by the City and designate Manufacturers and Traders Trust Company as the Plan's trustee. The VEBA Plan Trust Agreement designates the VEBA Trust Administrator, currently the Public Agency Retirement Planning, Inc. and designates the VEBA Plan Administrator currently as Administration Resources Corporation ("ARC"). ARC is the recently selected plan administrator for the City's Minneflex Plan components of Health Care Spending Plan and Dependent Care Plan.